



## DEPARTMENT OF COMMERCE

### International Trade Administration

[C-570-074]

### Common Alloy Aluminum Sheet from the People's Republic of China: Preliminary Results of Countervailing Duty Administrative Review; 2020

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to producers and exporters of common alloy aluminum sheet (aluminum sheet) from the People's Republic of China (China). The period of review (POR) is January 1, 2020, through December 31, 2020. Interested parties are invited to comment on these preliminary results.

**DATES:** Applicable [Insert date of publication in the *Federal Register*].

**FOR FURTHER INFORMATION CONTACT:** Natasia Harrison or Harrison Tanchuck, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1240 or (202) 482-7421, respectively.

### SUPPLEMENTARY INFORMATION:

#### Background

On April 1, 2021, Commerce published in the *Federal Register* a notice of initiation of an administrative review of the countervailing duty (CVD) order<sup>1</sup> on aluminum sheet from China.<sup>2</sup>

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<sup>1</sup> See *Common Alloy Aluminum Sheet from the People's Republic of China: Countervailing Duty Order*, 84 FR 2157 (February 6, 2019) (*Order*).

<sup>2</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 86 FR 17124 (April 1, 2021) (*Initiation Notice*).

On October 20, 2021, Commerce extended the deadline for the preliminary results of this review by 117 days to February 25, 2022.<sup>3</sup>

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.<sup>4</sup> A list of topics discussed in the Preliminary Decision Memorandum is included as an Appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx/>.

#### Scope of the *Order*

The merchandise covered by the *Order* is aluminum sheet from China. For a complete description of the scope of the *Order*, *see* the Preliminary Decision Memorandum.<sup>5</sup>

#### Methodology

Commerce is conducting this administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily find that there is a subsidy, *i.e.*, a financial contribution by an “authority” that confers a benefit to the recipient, and that the subsidy is specific.<sup>6</sup> For a full description of the methodology underlying our preliminary conclusions, including our reliance, in part, on adverse facts available (AFA) pursuant to sections 776(a) and (b) of the Act, *see* the Preliminary Decision Memorandum.

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<sup>3</sup> *See* Memorandum, “Common Alloy Aluminum Sheet from the People’s Republic of China: Extension of Deadline for Preliminary Results of Countervailing Duty Administrative Review; 2020,” dated October 20, 2021.

<sup>4</sup> *See* Memorandum, “Decision Memorandum for the Preliminary Results of the Countervailing Duty Administrative Review of Common Alloy Aluminum Sheet from the People’s Republic of China; 2020,” dated concurrently, and hereby adopted by, this notice (Preliminary Decision Memorandum).

<sup>5</sup> *Id.* at section “Scope of the *Order*.”

<sup>6</sup> *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5)(A) of the Act regarding specificity.

Commerce notes that, in making these findings, it relied, in part, on facts available and, because it finds that the Government of China (GOC) did not respond to the Initial CVD Questionnaire,<sup>7</sup> it therefore, did not provide necessary information, as requested. Based on that, Commerce has determined that the GOC did not act to the best of its ability to respond to Commerce's request for information, and therefore drew an adverse inference where appropriate in selecting from among the facts otherwise available. For further information, *see* "Use of Facts Otherwise Available and Adverse Inferences" in the Preliminary Decision Memorandum.

#### Preliminary Results of Review

In accordance with 19 CFR 351.221(b)(4)(i), we calculated a countervailable subsidy rate for mandatory respondents Jiangsu Alcha Aluminum Co., Ltd. and Alcha International Holdings Limited. We determined the countervailable subsidy rate for Yinbang Clad Material Co., Ltd. based entirely on AFA, in accordance with section 776 of the Act. Because there are no other producers or exporters subject to this review and not selected for individual examination (*i.e.*, non-selected companies), Commerce does not need to establish the rate for non-selected companies in this review.

Commerce preliminarily determines that, during the POR, the following countervailable subsidy rates exist:

<b>Company</b>	<b>Subsidy Rate <i>ad valorem</i> (percent)</b>
Jiangsu Alcha Aluminum Co., Ltd. <sup>8</sup> / Alcha International Holdings Limited <sup>9</sup>	17.33
Yinbang Clad Material Co., Ltd.	252.22*

<sup>7</sup> See Commerce's Letter, "Administrative Review of the Countervailing Duty Order on Common Alloy Aluminum Sheet from the People's Republic of China: Countervailing Duty Questionnaire," dated May 20, 2021 (Initial CVD Questionnaire).

<sup>8</sup> This rate applies to Jiangsu Alcha Aluminum Co., Ltd. and its cross-owned companies: Baotou Alcha Aluminum Co., Ltd. and Jiangsu Alcha New Energy Materials Co., Ltd.

<sup>9</sup> We are cumulating the benefits from subsidies received by Alcha International Holdings Limited, which exported subject merchandise produced by Jiangsu Alcha Aluminum Co., Ltd., to the United States during the POR, with the benefits from subsidies received by Jiangsu Alcha Aluminum Co., Ltd., during the POR. For further discussion, *see* the Preliminary Decision Memorandum at "Attribution of Subsidies."

\*Rate based on AFA.

### Disclosure and Public Comment

Commerce will disclose to parties to this review the calculations performed for these preliminary results within five days of the date of publication of this notice.<sup>10</sup> Interested parties may submit case briefs no later than 30 days after the date of publication of these preliminary results of review.<sup>11</sup> Rebuttals to case briefs may be filed no later than seven days after the case briefs are filed, and all rebuttal comments must be limited to comments raised in the case briefs.<sup>12</sup> Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information until further notice<sup>13</sup>

Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this review are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must do so within 30 days of publication of these preliminary results by submitting a written request to the Assistant Secretary for Enforcement and Compliance using Enforcement and Compliance's ACCESS system.<sup>14</sup> Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. Issues addressed at the hearing will be limited to those raised in the briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined.<sup>15</sup> Parties should confirm by telephone the date and time of the hearing two days before the scheduled date.

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<sup>10</sup> See 19 CFR 351.224(b).

<sup>11</sup> See 19 CFR 351.309(c).

<sup>12</sup> See 19 CFR 351.309(d).

<sup>13</sup> See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 29615 (May 18, 2020); and *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

<sup>14</sup> See 19 CFR 351.310(c).

<sup>15</sup> See 19 CFR 351.310(d).

Parties are reminded that all briefs and hearing requests must be filed electronically using ACCESS and received successfully in their entirety by 5:00 p.m. Eastern Time on the due date.

#### Assessment Rate

Consistent with section 751(a)(2)(C) of the Act, upon issuance of the final results, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. If the assessment rate calculated in the final results is zero or *de minimis*, we will instruct CBP to liquidate all appropriate entries without regard to countervailing duties. We intend to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

#### Cash Deposit Rate

Pursuant to section 751(a)(1) of the Act, upon issuance of the final results, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts indicated for each of the respective companies listed above on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review, except where the rate calculated in the final results is zero or *de minimis*, no cash deposit will be required. These cash deposit instructions, when imposed, shall remain in effect until further notice.

#### Final Results of Review

Commerce intends to issue the final results of this administrative review, including the results of our analysis of the issues raised by the parties in their comments, no later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h), unless this deadline is extended.

Notification to Interested Parties

These preliminary results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213 and 19 CFR 351.221(b)(4).

Dated: February 25, 2022.

Lisa W. Wang,  
Assistant Secretary  
for Enforcement and Compliance.

## **Appendix**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Diversification of China's Economy
- V. Subsidies Valuation
- VI. Loan Interest Rate Benchmarks, Discount Rates, and Benchmarks to Determine the Adequacy of Remuneration
- VII. Use of Facts Otherwise Available and Adverse Inferences
- VIII. Analysis of Programs
- IX. Recommendation